

# DEPARTMENT OF STATE

International Narcotics Control and Law Enforcement  
International Narcotics Control and Law Enforcement Detail  
    Andean Counterdrug Initiative  
    Andean Counterdrug Initiative Detail  
    Migration and Refugee Assistance  
    Emergency Refugee and Migration Assistance Fund  
    MRA/ERMA Program Summary  
Nonproliferation, Anti-terrorism, Demining, and Related Programs  
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## International Narcotics Control and Law Enforcement

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
INCLE	220,321	240,274	358,820
INCLE-ERF	-	50,000	-
INCLE-SUP	25,000	170,000	-

International Narcotics Control and Law Enforcement (INCLE) funding is critical for advancing the U.S. national objective of blunting the impact of international crime and illegal drugs on Americans and American society. The United States faces serious continuing threats to its security from international terrorist networks and their allies in the illegal drug trade and international criminal enterprises. Terrorism, international drug trafficking and transnational organized crime simultaneously target Americans and American interests both at home and abroad. All three groups thrive in gaps between law enforcement jurisdictions and where law enforcement institutions are weak or corrupt. They threaten not only U.S. security but also that of our close friends, neighbors, and allies. International drugs and crime jeopardize the global trend toward peace and freedom, undermine the rule of law, and menace local and regional stability, whether in Colombia, the Balkans, or Afghanistan.

To help meet these challenges, INCLE funds support a robust and comprehensive range of bilateral, regional, and global initiatives to help foreign governments build strong law enforcement and related institutions that can stop such threats before they reach U.S. soil. Together with Andean Counterdrug Initiative (ACI) funds, INCLE funding will strengthen the ability of key drug source and transit states to destroy drug crops on the ground; to disrupt and dismantle drug production and trafficking operations and organizations, arrest their leaders, and seize their assets; and to tighten border security against drug and people traffickers, terrorists, and other criminal groups. Internationally, the Department of State (DOS) will work closely with other countries to set anti-drug and anticrime standards, agree on collective actions, close off safe havens for drug, crime, and terrorist groups, fight corruption, and provide training as well as technical assistance to foreign law enforcement partners. DOS will partner in these activities with other USG agencies and with both international organizations and non-governmental organizations (NGOs). In the wake of September 11, 2001, many anti-crime programs have been refocused to emphasize and sharpen their counter-terrorism impact.

Recent program successes include:

- **Combating Money-laundering and Terrorist Financing.** INCLE funds have helped produce needs assessments or provide technical assistance to 16 of the 19 priority terrorist financing countries. INCLE assistance programs have also helped “graduate” 14 of the 23 countries (four in 2003) on the FATF (Financial Action Task Force) list of non-cooperative countries and territories by improving their anti-money laundering performance.
- **Promoting U.S. and International Security Afghanistan.** As part of U.S. and international efforts to strengthen Afghan security and stability by rebuilding the national police, assistance built and rehabilitated Afghan police training facilities, trained more than 2000 policemen in 2003, and established the first-ever nation-wide communications system for police.
- **Undertaking Critical work with Pakistan to Strengthen Institutions and Security.** As part of the global war on terror, Pakistan assisted in making progress toward sealing a porous 1,500-mile border with Afghanistan against infiltration by drug traffickers, terrorists, and other illegal armed groups, including much needed helicopters. Moreover, Pakistan border guard units have been

steadily expanding their surveillance of border areas and have increased both the number and effectiveness of their counter-drug and counter-insurgency operations.

- **Protecting our Border and Working with Mexico to Partner Against International Threats.** Continue the focus on breaking up major drug trafficking organizations and established new mechanisms to increase security along our common border. Programs continue to support Mexico's steps to modernize its justice sector and are significantly improving our ability to coordinate at the operational level.
- **Combating Trafficking in Persons.** To combat the growing problem of trafficking in persons, in FY 2002 and 2003 the Department provided assistance to approximately 70 countries that were either on the Department's Trafficking in Persons Report or identified at risk for trafficking in persons. This assistance will help governments identify and prosecute traffickers, prevent trafficking, and aid victims.
- **Fighting Corruption that Undermines U.S. Economic Interests and Security.** The Department provided financial and political support for two years of negotiations leading to the completion and signing by approximately 100 countries (including the United States) of a new UN Convention Against Corruption, the first global treaty against corruption. The Department also continues to provide technical and diplomatic support for ratification of the UN Convention Against Transnational Organized Crime (TOC) and the Supplementary Protocols on Trafficking in Persons and Migrant Smuggling, all of which entered into force in 2003. The TOC Convention and the Protocols now take on the force of international law.
- **Confronting Cybercrime.** To address the rise in high tech crimes, INCLE funds supported the first-ever Organization of American States Conference on Cyber Security. Held in Buenos Aires, the Conference brought together key counter-terrorist, law enforcement and e-commerce experts from government and industry to discuss ways to combat identity theft, cyber intrusions, online piracy and fraud and a host of other crimes that increasingly feature the use of computers and the Internet.
- **Fighting the Multi-Billion Dollar Theft from U.S. Companies by International IPR Piracy.** The Department is stepping up its efforts to fight international intellectual property piracy. Working closely with other agencies and with the U.S. private sector, it is increasing funding for foreign law enforcement training and technical assistance. Assistance programs range from helping foreign countries rewrite legislation to training their police and prosecutors to more effectively enforce intellectual property protection laws.

**International Narcotics Control and Law Enforcement**  
(\$ in thousands)

	<b>FY 2003 Actual</b>	<b>FY 2004 Estimate</b>	<b>FY 2005 Request</b>
<b>Africa</b>			
Liberia	-	-	5,000
Nigeria	-	2,250	2,250
South Africa	-	1,770	1,770
Africa Regional	6,700	2,830	1,480
<b>Subtotal - Africa</b>	<b>6,700</b>	<b>6,850</b>	<b>10,500</b>
<b>East Asia and the Pacific</b>			
Indonesia	-	-	10,000
Laos	2,500	2,000	2,000
Philippines	-	2,000	2,000
Thailand	3,700	2,000	2,000
<b>Subtotal - East Asia and the Pacific</b>	<b>6,200</b>	<b>6,000</b>	<b>16,000</b>
<b>Near East</b>			
Morocco	-	-	6,000
Iraq Pre-positioning	24,601	-	-
<b>Subtotal - Near East</b>	<b>24,601</b>	-	<b>6,000</b>
<b>South Asia</b>			
Afghanistan	-	-	90,000
Afghanistan ERF	-	50,000	-
Afghanistan SUP	-	170,000	-
Pakistan	6,000	36,500	40,000
Pakistan SUP	25,000	-	-
<b>Subtotal - South Asia</b>	<b>31,000</b>	<b>256,500</b>	<b>130,000</b>
<b>Western Hemisphere</b>			
Bahamas	1,100	1,000	1,000
Guatemala	2,500	3,000	2,820
Jamaica	1,200	1,500	1,500
Mexico	12,000	32,000	40,000
Latin America Regional	9,500	4,850	3,250
<b>Subtotal - Western Hemisphere</b>	<b>26,300</b>	<b>42,350</b>	<b>48,570</b>
<b>Global</b>			
Anticorruption/Rule of Law	-	-	9,000
Asia Regional	4,500	1,000	1,000
Civilian Police Program	4,670	2,700	2,700
Demand Reduction	5,000	4,200	4,200
INL Anticrime Programs	12,300	11,324	10,000

**International Narcotics Control and Law Enforcement**  
(\$ in thousands)

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Request</b>
International Law Enforcement Academies	14,500	14,500	14,500
International Organizations	12,200	13,000	12,000
Interregional Aviation Support	65,000	70,000	70,000
Program Development and Support	13,850	13,850	13,850
Regional Narcotics Training	4,500	-	-
Systems Support and Upgrades	4,000	5,000	4,500
Trafficking in Persons	10,000	12,000	5,000
United Nations Crime Center	-	1,000	1,000
<b>Subtotal - Global</b>	<b>150,520</b>	<b>148,574</b>	<b>147,750</b>
<b>Total</b>	<b>245,321</b>	<b>460,274</b>	<b>358,820</b>

**Africa**  
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
INCLE	6,700	6,850	10,500

*Liberia (\$5.0 million)* - Consistent with the President’s priorities, strengthening Liberia’s law enforcement and anti-terrorist capacity is a key US priority. We want to ensure civil order in the region and reduce the potential for criminals or terrorists to threaten Liberia’s fragile peace or take advantage of Liberia as a haven for money laundering, arms smuggling and trafficking in persons, diamonds and timber.

Liberia has only the barest law enforcement and judicial infrastructure and little capacity to control its borders or enforce customs and other laws. INCLE funds will continue to assist Liberia develop a credible and competent police force, functioning judicial institutions, and implement anti-corruption measures.

INCLE funds will provide non-lethal material and technical assistance to reestablish a national police force; provide technical and material assistance to the Ministry of Justice to improve basic court functioning, transparency, and prosecutorial service. INCLE funds will also be used to contribute up to 35 U.S. police officers to the civilian police component of the United Nations Mission in Liberia (UNMIL) to assist training, vetting, monitoring, and advising the new Liberian Police Force.

*Nigeria (\$2.25 million)* - Sophisticated and entrenched Nigerian criminal organizations are transnational in scope and have a direct impact on the United States. In Nigeria, funding will be directed at counternarcotics and financial crime units that are working closely with U.S. law enforcement organizations against transnational crime.

INCLE programs in Nigeria in FY 2005 are designed to achieve key U.S. foreign policy objectives of improving the performance of the criminal justice sector, strengthening democratic institutions, and protecting the United States against international crime. FY 2005 funds will continue interdiction training and technical assistance for the National Drug Law Enforcement Agency.

Funding will refine the police reform program, focusing on creating a “model region” emphasizing police-community relations and building basic skills capacity within the Nigerian Police Force (NPF) in the Kaduna region, and the continued presence of a technical advisor to work with the NPF and the Police Services Commission on revising the Police Act and Force Orders.

FY 2005 funds will provide advisory technical services to the fledgling Economic and Financial Crimes Commission (EFCC) to improve its capacity to deter, investigate and prosecute advance fee fraud and other financial crimes. Finally, FY 2005 funds will provide training and technical assistance for prosecutors and investigators within the Independent Corrupt Practices Commission (ICPC) to improve their capacity to investigate and prosecute corruption cases. Judges and police will be included in training sessions with prosecutors in order to improve coordination between the police and judiciary.

*South Africa (\$1.77 million)* - South Africa is an anchor for stability and prosperity in the Southern African region and is a catalyst for encouraging other African countries to address crime, terrorism and immigration threats. Assisting South Africa on law enforcement and judicial issues addresses U.S. priority goals of supporting a stable and prosperous South Africa, fighting transnational security threats and creating a favorable climate for investment in the region. The FY 2005 program will build upon efforts undertaken in previous years in the law enforcement, judicial and corrections systems and initiate new assistance projects for the Department of Home Affairs and the judiciary.

FY 2005 funding will provide for the return of an advisor to work closely with the Johannesburg Metropolitan Police Department (JMPD) on improvements to the JMPD training curriculum and facility and to expand the use of the facility by other municipal level police; for continued support for the Resident Legal Advisor to mentor prosecutors and investigators on complex organized and financial crimes; and to continue and expand training for correctional services personnel to facilitate rehabilitation programs in prisons housing juvenile offenders preparing for release.

FY 2005 funds will also provide for two new, critically-needed programs for South Africa: a long-term, intermittent advisor for the Department of Home Affairs to assist South African officials with improving the Department's management, personnel, and enforcement functions; and an advisor to assess and develop an implementation strategy for caseload management, case processing, and internal controls for South Africa's belabored judicial sector.

*Africa Regional (\$1.48 million)* - Criminal activities throughout Africa corrupt and weaken governments, sap precious resources, and undermine democratic reform, economic growth and foreign investment. INCLE crime and drug programs in West, Southern and Eastern Africa (Senegal, Mozambique, Tanzania and Uganda) support the development of professional and sustainable law enforcement and criminal justice institutions. By making Africa less attractive to criminal elements, INCLE programs foster the rule of law, forming the bedrock upon which the USG's broader goals of democracy and prosperity rest.

Funds will provide training, technical assistance and equipment to combat illegal migration and trafficking in people, narcotics and other contraband; and to develop democratic policing with an emphasis on human rights and ethics.

Funding will be directed at national efforts to tighten border control without hindering legitimate commerce. Emphasis will be on improving border control and interdiction efforts at sea, land and air ports of entry. Sustainable and institutional reform of law enforcement and criminal justice sectors will be supported through modernizing teaching curricula and teaching methodologies at law enforcement academies and through organizational change management.

Law enforcement development in Tanzania and Uganda will utilize the train-the-trainer approach, in-service professional development and community policing. Forensic laboratory programs in Tanzania, Senegal and Uganda will continue to receive training, technical assistance and resource upgrades. In Mozambique, training and equipment will support the border security program initiated in 2004.

## East Asia and the Pacific

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
INCLE	6,200	6,000	16,000

*Indonesia (\$10.0 million)* - Indonesia, the largest Muslim country in the world, is a center of transnational criminal activity and home base for international terrorist groups that threaten the region, U.S. allies, and the United States. Indonesia recognizes the need for and has requested assistance with police and criminal justice reform.

Training, technical assistance and equipment will support the development of the Indonesian National Police and its Marine Police component into modern and effective civilian forces respectful of the rule of law and human rights. Community policing precepts will be integrated into the police-training program. Funding will be provided to attack corruption and reform the criminal justice sector through prosecutorial and judicial skills development. Investigative, forensics and ethics training will be provided to professionalize the Indonesian National Police Drug Enforcement Unit and the National Narcotics Board.

*Laos (\$2.0 million)* - Often unnoticed, Laos is the world's third largest producer of illicit opium and has the potential to produce significantly higher yields. INCLE funds will continue to support programs in alternative development and crop control; demand reduction; and counterdrug law enforcement development.

These projects will support additional road construction in Luang Prabang province to assist farmers in poppy growing regions with market access, government services and food production. Additionally, eradication will continue in all areas where poppy is grown, leading to an increased need for assistance to communities deprived of their only cash crop. Treatment centers and clinics will be constructed and demand reduction programs at national and local counseling centers supported.

Funding will provide training and executive observation trips for GOL counternarcotics personnel. Continued support such as infrastructure renovation, equipment and commodities (motorcycles, radios, and x-ray machines) will be limited to those Counternarcotics Units (CNU's), which have demonstrated good performance. Training and technical assistance to the Lao Customs Department, and the National Commission for Drug Control and Supervision will continue.

*Philippines (\$2.0 million)* - A regionally-pivotal strategic ally, the Philippines, lies at the crossroads of the global wars on terror and drugs. Weaknesses in the Philippines law enforcement and judicial sectors hamper its ability to combat terrorism and other transnational crimes. These weaknesses are particularly acute in the Autonomous Region of Muslim Mindanao (ARMM) where much of the INCLE funding is targeted.

Funds will provide training, technical assistance and communications and information management equipment to assist the GRP develop an effective civilian police force in the ARMM. The Philippines Drug Enforcement Agency will be provided organizational support and training. Training for the Philippine National Police will be offered using a train-the-trainer philosophy. Police and prosecutors will be integrated in the courses. A Resident Legal Advisor will provide technical assistance on law and criminal justice reform; a forensic laboratory and library at the Bureau of Immigration will be established and a national automated fingerprint identification system and a criminal database implemented. NGOs that have on-going rule of law programs in the ARMM will be supported.

*Thailand (\$2.0 million)* - Another key and populous ally, Thailand, is a leader in efforts against drugs and crime even while it remains a hub of transnational criminal activity. Despite demonstrated long-term success against narcotics production and trafficking, its criminal justice, regulatory and investigative capabilities are inadequate for the challenges of 21<sup>st</sup> century transnational and organized crime. Public corruption further handicaps its law enforcement and criminal justice institutions. Funds will be used to support drug control assistance, anti-corruption measures and crime control and criminal justice programs. Technical assistance, training and related assistance to Royal Thai Government (RTG) institutions will support legal and legislative reform, anti-money laundering measures and opium poppy control projects.

Special Investigative Units targeting narcotics crimes will be supported with monies transferred to State by DEA. Funds will continue support for demand reduction and alternative development efforts.

## Near East Asia

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
INCLE	24,601	-	6,000

*Morocco (\$6.0 million)* - U.S. support for Morocco's political and economic transition and its continued development as a moderate, Muslim state is consistent with our National Security Strategy to strike at the root of terrorism, and improve America's image in the Muslim world. Country-specific INCLE funding is requested for the first time in FY 2005. These essential funds will support border control, police-community relations and civil disorder management.

Funds will complement the PISCES computerized immigration system installed under the NADR-funded Terrorist Interdiction Program. A Resident Program Manager will facilitate the provision of training and technical assistance to address systemic problems such as corruption, poor law enforcement coordination, risk analyses and targeting systems.

Additionally, funding to improve community-police relations will include an assessment study, identification of a model project community and project activities coordinated by a resident Program Manager. Civil disorder management training and equipment such as shields, helmets, gas masks and batons will be provided to 150-line, mid and senior level officers.

**South Asia**  
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
INCLE	6,000	36,500	130,000
INCLE-ERF	-	50,000	-
INCLE-SUP	25,000	170,000	-

INCLE funding will continue to support the war on terrorism in the frontline states of Afghanistan and Pakistan during FY 2005. Funding will be used for security, counternarcotics, law enforcement and judicial system development programs to promote regional stability and prevent terrorist acts against the U.S.

*Afghanistan (\$90.0 million) -*

Police

FY 2005 INCLE funds for Afghanistan will support the efforts of the Transitional Islamic State of Afghanistan (TISA) to firmly establish a stable democracy able to provide for its own internal security. A critical building block for long-term security is the development of a competent national police, border police, and highway patrol.

The United States continues to support the efforts of lead country Germany in training the Afghanistan National Police and complements long-term institutional development goals by focusing on basic skills training for existing police and lower-ranked new police.

FY 2004 supplemental funds enabled DOS to significantly accelerate its police assistance to Afghanistan. The Department initiated a program to train nearly 20,000 new police officers by mid-2004 by establishing Regional Training Centers (RTC) in key provincial locations throughout Afghanistan.

Similarly, FY 2005 funds for the national police, border police and highway patrol officers will provide the resources to continue to training efforts for the remaining 30,000 police needed by December 2005 through support for:

- equipment and infrastructure needs,
- further development and maintenance of law enforcement communications and management systems,
- enhancements to police physical plant and infrastructure, personnel support (salaries),
- support for fixed point border crossing infrastructure,
- establishment of a system for monitoring immigration procedures and controls, and
- development of a capacity to conduct interdiction operations and investigations of crimes along the border.

Additionally, as the border needs grow, funds will help develop capacity for border police support to customs functions, as well as supporting refurbishment and construction of essential barracks and checkpoints.

Justice Sector

DOS's role in restoring the rule of law in Afghanistan is vital to ensuring stability, promoting human rights, and encouraging economic growth. FY 2005 INCLE funds will support modernization of the criminal justice system, infrastructure development, training justice personnel, and support programs that focus on public access to justice.

Cooperatively, FY 2005 funds will continue to support the Italian lead on activities to rebuild and reform Afghanistan's judicial system according to international due process, human rights standards, and Afghan cultural traditions. Funds will support refurbishment and construction of provincial and district courthouses. In addition, INCLE funds will supply courts with judicial supply packages that equip courthouses with basic office supplies and other administrative support items.

### Counternarcotics

Afghanistan is the world's largest producer of illicit opium. The drug trade funds terrorist activities, undermines central government authority, and contributes to the instability that allows extremist elements inimical to the U.S. to operate. FY 2005 funding will support programs in three critical areas: counternarcotics, civilian law enforcement and administration of justice.

Working in close coordination with the United Kingdom and Afghan government, INCLE programs will seek to reduce opium poppy cultivation, strengthen counternarcotics law enforcement efforts, and increase Afghan government coordination and oversight of national drug policy and programs.

Funding will support:

- manual eradication programs,
- alternative livelihood programs,
- demand reduction programs, and
- a national anti-drug campaign.

Funding for the manual eradication program will continue to provide for the salaries, living expenses, equipment, transportation, and training of additional eradication teams and force protection personnel. It will also support monitoring and evaluation of the program, agricultural inputs, market support for farmers, and vocational training for vulnerable populations (women and itinerant farmers). To assess success, an evaluation of the program will also be conducted.

Programs to support the disruption of drug trafficking in border areas will be funded through the expansion of specialized training and outfitting of counterdrug units at the provincial level. Penal code reform will be funded through training and educational exchange programs.

*Pakistan (\$40.0 million)* - Pakistan is an ally in the war on terror. Its 1500-mile border with Afghanistan runs through remote mountainous and desert terrain that is easily exploited by terrorists, drug traffickers and other criminals. Law enforcement institutions, neglected for decades, are incapable of investigating even minor crimes, much less the serious threats posed by terrorists and other extremists. At the same time, resurgent opium poppy cultivation in Pakistan—due in part to massive cultivation in neighboring Afghanistan—must be eradicated before its economic impact becomes too deeply rooted.

FY 2005 funding will build upon the successful implementation of prior year programs in three areas: border security, law enforcement and counternarcotics. Funds will be used to construct roads in the Federally Administered Tribal Areas to expand the presence of Pakistani security forces in previously inaccessible terrain. Additional checkpoints will be constructed at key intersections. Commodities such as

vehicles, communications equipment and long-range optical devices will be provided to civilian border agencies. Beneficiaries will include the Ministry of Interior, Anti-Narcotics Force, Frontier Corps, Federal Investigative Agency, Intelligence Bureau, Coast Guard, Maritime Security Agency, Home Department, and provincial police forces.

Bridging the worlds of counter-terrorism and counter-narcotics, core funding will provide ongoing maintenance, support and operating costs for the USG-established Ministry of Interior Air Wing based in Quetta, Baluchistan province to conduct anti-terrorism and counterdrug missions. Funding will further extend air mobility to a new forward operating base near Peshawar to be outfitted with five helicopters being procured with FY 2004 funding.

Technical assistance, training and equipment for Pakistani law enforcement authorities will be provided to increase investigative and forensic skills; build accountability; and develop internal controls and leadership skills. Likewise, implementation of the Automated Fingerprint Identification System funded in previous years will be expanded. Development of the criminal information database will be continued to link federal and provincial law enforcement agencies. To reduce opium cultivation, FY 2005 funds will support the expansion of alternative crop programs into non-traditional growing areas; support crop control, and demand reduction efforts through a public awareness campaign.

## Western Hemisphere

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
ACI-SUP	54,000	-	-
INCLE	26,300	42,350	48,570

Most drugs reaching the United States come from South America through three vectors: Central America, Mexico and the Caribbean. Programs supported in these areas are also centerpieces in the DOS effort to achieve recordable and sustainable successes in this ‘tipping point’ moment in the hemisphere, both counter-narcotics and counter-terrorism. INCLE funds aim to disrupt the flow to enable local countries to interdict and capture traffickers and the proceeds of their trade and fight related organized crime.

*Bahamas (\$1.0 million)* - An estimated 12 percent of the cocaine destined for the United States passes through the Jamaica-Cuba-Bahamas vector. Funds will enhance interdiction efforts to include a larger Customs detector dog program and expand the Operation Bahamas Turks and Caicos (OPBAT) program through the purchase of go-fast interceptor craft for the Bahamian Police.

*Guatemala (\$2.82 million)* - This country presents unique corruption and transshipment issues. An estimated 70 percent of drugs destined for the United States go through the Central American corridor, particularly Guatemala before entering Mexico. INCLE funds will provide training, equipment, and other support to the Anti-Narcotics Police (SAIA), the prosecutors of the Public Ministry, and the Guatemalan Government demand reduction organization (SECCATID) to improve their ability to detect, capture, interdict and prosecute drug traffickers. Funding will also support eradication of opium poppy and marijuana. Finally, as the need to address corruption in key government institutions is high, funding will support special prosecution units (anti-narcotics, anti-corruption and anti-money laundering) in coordination with USAID’s judicial reform efforts.

*Jamaica (\$1.5 million)* - Funds will buy a fourth go-fast interceptor boat and equipment and training for a vessel maintenance program for the Jamaican Defense Force Coast Guard and support an expanded Customs Contraband Enforcement Team and the Jamaican Constabulary Force’s Fugitive Apprehension Team, Narcotics Division Counter-Drug Special Investigative Unit, and National Intelligence Bureau.

*Mexico (\$40.0 million)* - The importance of support to the Mexican programs in counter-narcotics and other related areas cannot be overstated. Mexico is the major transport corridor for drugs to the United States. INCLE programs will focus on continuing to improve criminal justice and security sector institutions ongoing successful ability to take down major trans-border drug trafficking groups and related threats.

INCLE funding will assist in the modernization of police and prosecutorial units by expanding training opportunities to include state/local authorities and upgrading computer equipment, professionalizing Mexican personnel, and improving operational readiness. Funding will partially upgrade the aged air fleet of the Office of the Attorney General to do interdiction as well as to support the Mexican Air Force’s C-26 program. Funds will also strengthen border security, in implementation of the U.S.-Mexico Border Security Accord through the purchase of ten non-intrusive inspection systems, a computer information system to screen passengers coming to the United States, and the building of designated lanes for pre-cleared low-risk commuters throughout the border.

*Latin America Regional (\$3.25 million)* - These funds are directed to two sets of countries; one situated in the drug transit zones of Central America and the Caribbean and a second situated in the key Triborder

region in South America. In the drug transit zone, funding will go towards improving endgame interdiction capabilities.

Funding for the Caribbean region will focus on interdiction, law enforcement, tactical and operational intelligence gathering and the administration of justice, with an emphasis on sustainability. In Central America, funding will continue to support efforts to modernize justice sector institutions and legal frameworks to allow successful prosecutions of drug traffickers, money launderers, alien smugglers and corrupt public officials. Funding will also support regional efforts to promote more effective interdiction, information sharing and coordinated counter-drug strategies.

Bridging growing concerns on both drug trafficking and terrorism, funding provided to Paraguay, Chile, Uruguay and Argentina will support programs to disrupt cocaine trafficking at their borders and ports and improve investigative and prosecutorial efforts aimed at disrupting potential sources of funds for groups, which support terrorists.

**Global**  
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
INCLE	150,520	148,574	147,750

*Anticorruption Compacts (\$9.0 million)* - The Anticorruption Compacts are a new initiative that helps to fight corruption in a way that strengthens political will, rewards performance, and yields demonstrable results. The Compacts will require governments to commit in writing to reform in key areas that promote transparency and help prevent corruption, including management of public finances, public procurement, and engaging civil society. In exchange, countries will receive assistance targeted to these areas.

The request will fund the first year's effort in at least three countries. Assistance for each pilot country will focus on training, equipment and technology (including e-systems) needed to establish and maintain fiscal transparency and accountability systems, rules-based public procurement systems, effective enforcement and oversight institutions, and free and active civil society anti-corruption efforts.

*Asia Regional (\$1.0 million)* - Narcotics trafficking and related criminal activities threaten the stability of countries in this region by fostering the growth of terrorist networks, corrupting governments, and undermining democratic institutions. Asia Regional funds will strengthen counternarcotics law enforcement, border control, and customs agencies and judicial institutions throughout Asia including Southwest Asia/Middle East. In the Middle East, assistance will support community policing strategies and civil disorder management training.

In Burma, which presents unique human rights and narcotics issues, carefully targeted funding will continue to support Project Old Soldier to provide alternatives to opium poppy cultivation in target villages.

In Sri Lanka, funding will provide for a resident Program Manager who will provide training to GOSL institutions on narcotics investigations, surveillance, prosecutions and case/personnel management issues.

Although no new Asia Regional programs will be funded for India in FY 2005, the centrality and importance of programming in India translates into a critical use of modest funds for operating and administrative expenses of the Narcotics Affairs Section in New Delhi.

*Civilian Police and Justice Program (\$2.7 million)* - The Civilian Police and Justice Program continues to support and develop U.S. institutional capabilities to participate in civilian components of international peacekeeping missions and respond to complex security operations. Program efforts will:

- establish and maintain a cadre of up to 2,000 U.S. police, law enforcement advisors, justice and corrections experts;
- expand and sustain certification of the basic U.S. training program to all U.S. states and further develop relationships with federal, state and local law enforcement associations, organizations, and unions;
- promote high quality, standardized civilian police training for peacekeeping by inviting police from selected countries to participate in the basic U.S. training program; and,
- improve deployment capabilities to include quick response of assessment teams, advance teams, and technical advisors.

The FY 2005 program supports a police advisor to the OSCE, training coordinator and police advisor, and a position established at the U.S. mission in New York responsible for working with the UN Department of

Peacekeeping Operations. FY 2005 funds also complete expansion of management and oversight of police, justice and prison programs.

*Demand Reduction (\$4.2 million)* - Since education and prevention are also elements of a successful counter-drug program anywhere in the world, Demand Reduction programs seek to reduce the worldwide demand for illicit drugs by motivating foreign governments and institutions to give increased attention to the deleterious affects of drug abuse on society.

Often overlooked, but central to an overarching strategy of success, these funds will assist countries to reduce drug consumption, helping to strengthen social stability while reducing a revenues for trafficking and terrorist groups. INCLE funds support the development of national, regional and international coalitions of private/public sector social institutions, the faith community, and law enforcement entities, enabling the USG to mobilize international opinion and cooperation against the drug trade and strengthen support for USG counter-narcotics policies and initiatives.

A Parents Drug Corps program will encourage parents to help children stay drug free by training them in prevention skills and methods. An International Community Anti-Drug Coalition Institute will provide training and technical assistance on forming and sustaining effective community, anti-drug coalitions of civil society/grassroots organizations to reduce drug consumption, strengthen collaboration among public/private sector organizations, and enhance inter-governmental cooperation.

Additional priority programs include school-based prevention programs and support for faith-based organizations to augment prevention, intervention, and recovery maintenance services. Addiction Technology Transfer Centers will disseminate information and training on the most effective approaches for delivering prevention, treatment and violence reduction services. Funds will also develop research-based, cross-cultural prevention and treatment programs whose results can be used to improve U.S.-based services.

*INL Anticrime Programs (\$10.0 million)* - The international crime threat to U.S. national interests is manifest in multiple areas. We confront not only a dire terrorist challenge but also the unprecedented spread of transnational criminal groups that exploit the vulnerabilities of the global economy to amass illicit wealth using increasingly sophisticated and creative means.

More than ever, effective international law enforcement cooperation is essential to ensure global stability and protect American communities, businesses and financial institutions. Included in this year's funding are both institution-building programs and global and regional diplomatic efforts.

- **Anti-Money Laundering/Terrorist Financing.** INCLE funding supports Administration priorities in addressing terrorist financing and money laundering threats to the United States. The supported efforts include assessments, technical assistance and training programs for the specific classified list of 24 priority countries, determined by the National Security Council, and also for countries such as Egypt, Indonesia and Guatemala that are on the Financial Action Task Force (FATF) "non-cooperative" list.

These comprehensive programs focus on creating robust anti-money laundering/anti-terrorist financing regimes, law enforcement capabilities and regulatory schemes.

INCLE funds also support international organizations like the FATF and the five FATF-style regional bodies, which promote the standard-setting and peer reviews vital to fighting terrorist financing and money laundering, as well as organizations such as the OAS/CICAD and U.N. Global Programme

Against Money Laundering, that provide anti-money laundering/anti-terrorist financing training and technical assistance to countries and regions.

In 2005, new initiatives include projects to develop Trade Transparency Units – modeled on Financial Intelligence Units – to better track and detect the movement of funds by terrorists and other criminals through alternative remittance systems that lie outside the formal financial sector; regionally-based technical assistance/training programs in the Pacific Islands and Central America to provide efficient use of scarce resources in areas trying to establish comprehensive anti-money laundering/anti-terrorist financing regimes; and the establishment of two new FATF-style regional bodies, in Central Asia and the Middle East.

- **Border Controls.** Porous borders greatly enhance the ability of international criminals, smugglers, and terrorists to expand their operations and avoid apprehension. However, as the first line of defense for many countries, stiff border controls can be a substantial deterrent to such activity and be a vehicle for gleaned useful information for identifying, investigating, and dismantling crime syndicates. INCLE border control funds will continue to be focused on strengthening and complementing several of the programs we have underway in South and Central America that are needed to stop a rash of criminal activity including narcotics trafficking, alien smuggling, and money laundering. Our focus will include the Argentina, Brazil, Paraguay tri-border area, where all of these threats as well as terrorism are manifested.
- **Alien Smuggling.** The smuggling of illegal migrants, which can serve as a vehicle for terrorist entry into the United States, is a major national security concern. Funds for this program will help support the newly created Human Smuggling and Trafficking Center—a joint State/Justice/Homeland Security center that has begun to collect, analyze, and disseminate intelligence and other information to facilitate coordinated international law enforcement efforts against illegal alien smuggling and trafficking in persons.

INCLE funds will also be used to conduct assessments and create “vetted units” and provide other training and technical assistance in, for instance, the Western Hemisphere to complement the vetted unit program started in Ecuador in FY 2003 to crack down on a regional migrant smuggling pipeline, or in Asia or elsewhere that intelligence indicates is the next emerging threat.

- **Cyber Crime, Cyber Security and Intellectual Property Rights Crime.** To combat the criminal misuse of information technology, we will provide technical assistance and training to build legal regimes and law enforcement capabilities in selected strategic countries, targeting in particular those nations where transnational crime and terrorism are growing concerns.

Protecting U.S. national and economic security from threats to our critical information networks will be addressed through an accelerated international outreach program promoting common standards, public-private partnerships, and integrated watch-and-warning. In addition, INCLE funds will be increased to support training for foreign law enforcement officials to combat theft of intellectual property, a problem that has a growing IT component. Among the countries where we will focus our IPR assistance are the Philippines, Brazil, Argentina, India, Mexico, Hong Kong-China and Egypt.

- **Anti-corruption.** Any effective anti-crime/anti-terrorism program must also attack corruption. As part of the President's anticorruption foreign policy initiative in the G8 and other forums, INCLE funding will support several international mechanisms (including at the UN, Council of Europe, OAS, and the OECD) to monitor anticorruption commitments made by over 60 governments, ensuring their translation into action by directing technical assistance to strategic countries.

*International Law Enforcement Academies (\$14.5 million)* - INCLE funds will continue to support the work of established ILEAs in Bangkok, Budapest, Gaborone and Roswell, New Mexico. In addition, DOS continues to negotiate for the establishment of a new ILEA in Latin America to address areas of strategic importance to the United States. This ILEA is expected to open during calendar year 2004 and have a full program by the beginning of FY 2005. Other activities in FY 2005 will include modifying the core and specialized curriculum offered by the ILEAs to target areas of growing international criminal activity such as terrorism, corruption and trafficking in persons.

*International Organizations (\$12 million)* -

- **United Nations Office on Drugs and Crime, Drug Program (\$6.5 million).** U.S. support to the United Nations Office on Drugs and Crime (UNODC) complements INCLE and ACI bilateral programs and allows us to leverage U.S. funds to gain increased buy-in and support from a broader array of donor countries. While there are a number of programs on which the Department expects to press harder this year, since the urgency of success is rising, the track record is one of sound cooperation.

In Central Asia and Afghanistan, for example, UNODC is the coordinating mechanism for bringing together support from other donors who would probably not contribute otherwise. UNODC is the only multilateral institution that provides technical assistance on a global basis towards the development of modern law enforcement, financial regulatory and judicial institutions and practices.

UNODC also plays a unique global role by supporting development of modern national legislation corresponding to obligations set forth by the three UN anti-drug conventions, as well as effective national regimes to combat money laundering and terrorist financing.

While added dialogue will be essential in the year to come, these multilateral programs act as force multipliers in support of key U.S. objectives, and allow us to better reach areas where it is difficult for the U.S. to operate bilaterally.

UNODC goals and objectives closely support those of the Department, and the organization is a steadfast ally in support of strict enforcement efforts against illicit drugs, as required under international law.

In FY 2005, funds will support ongoing UNODC international programs that enhance law enforcement, judicial, and financial institutions in developing countries. Projects will include the provision of modern interdiction training and equipment to law enforcement officials in Central Asia, Afghanistan, South Asia, Sub-Saharan Africa, and elsewhere where drug trafficking activities challenge political stability. Equipment and training will also be provided to track and prevent the illicit diversion of precursor chemicals.

As a complement to the foregoing, funds will also support UNODC projects that promote alternative livelihoods for farmers engaged in illicit opium poppy cultivation in Southeast Asia to reduce and gradually eliminate the production of illicit drug crops that threaten U.S. interests. Finally, funds will support UNODC efforts to help states to pass or strengthen legislation to prohibit and penalize illicit drug trafficking, money laundering, and other ancillary crimes and to improve mutual legal assistance, extradition, and asset forfeiture cooperation in compliance with UN drug-control treaties.

- **OAS Inter-American Drug Abuse Control Commission (CICAD) (\$5.5 million).** CICAD is the counter-drug arm of the Organization of American States (OAS) and the principal forum for

counternarcotics cooperation in the Western Hemisphere. Through CICAD, the United States has fostered a greater local responsibility for the drug problem, and a strong commitment to fight the drug trade, and developed practical ways for governments to work together against transnational criminal threats.

Funding will be used by CICAD to strengthen national drug commissions, establish statistical systems, convene hemispheric experts to develop model legislation (e.g., money laundering) and set minimum standards (e.g., for drug treatment), as well as to conduct projects and training across a broad range of supply, demand, and legal development areas.

In an on-going effort to raise cooperation, funds will also support the Multilateral Evaluation Mechanism (MEM) – a peer review system for assessing national anti-drug performance – and to provide follow-on training and technical assistance to address gaps or deficiencies identified by the MEM in the anti-drug programs of individual governments.

*Interregional Aviation Support (\$70.0 million)* - In FY 2005, the Interregional Aviation budget will provide core level services necessary to operate a fleet of 164 fixed- and rotary wing aircraft supporting aviation activities in Colombia, Bolivia, and Peru, border security operations in Pakistan, and, as needed, programs at other temporary deployment locations.

Operations include eradication, mobility, interdiction, monitoring, and logistical support. Again, consistent with a strategy of pressing for sustainable successes at a perceived ‘tipping point’ in these program areas, the primary focus will continue to be aggressive on the aerial eradication of Colombian coca and poppy.

Efforts in Peru and Bolivia will support manual eradication as well as interdiction efforts. The establishment of host-government self-sufficiency remains a central goal for Air Wing operations in each country and intensive training of pilots and mechanics ensures continued progress towards that objective.

*Program Development and Support (\$13.85 million)* - Necessarily, as the load carried increases, program Development and Support funds become more critical. These core funds support domestic administrative operating costs associated with the Washington-based INL staff, including salaries and benefits of U.S. Direct Hire employees, personal services contracts, rehired annuitants and reimbursable support personnel, field travel, maintaining information resource management systems, and administrative support expenses such as office equipment rental, telephone services, printing and reproduction, miscellaneous contractual services, materials, supplies, furniture, furnishings and equipment.

*Systems Support and Upgrades (\$4.5 million)* - Funds support our systems support and upgrades project by providing cost savings through standardization of services and support and aviation performance upgrades through economy of scale procurement.

Importantly, FY 2005 funding will support the sustainment of sensor packages in Barbados, Trinidad and Tobago, Mexico and Colombia, as well as provide spare parts, maintenance technical support, operators and mechanics training, and major component overhauls, and intelligence center upgrades to process and disseminate information gathered from these sensor aircraft for these countries.

*Trafficking in Persons (\$5.0 million)* - Funds will be directed at those Tiers 2 and 3 countries of the Trafficking in Persons Report where the government has shown a commitment to the issue, as well as other countries or regions where there are trafficking problems.

Uses of this funding will include:

- training for police, immigration and criminal justice officials on investigating and prosecuting traffickers and monitoring international borders;
- legislative assistance;
- equipment such as computers, forensic crime kits, radios, and vehicles for anti-trafficking women and children police units or taskforces;
- awareness training by NGOs or international organizations for law enforcement officials on appropriate treatment of victims; renovation of shelters;
- creation of victim sensitive forensic interview rooms; establishment of national hotlines; and,
- development of anti-trafficking curriculums for police academies; and anti-trafficking research where there is limited information.

The use of these funds will be coordinated with other anti-trafficking resources, in particular the \$12 million requested under Economic Support Funds.

*United Nations Office on Drugs and Crime, Crime Program (\$1.0 million)* - Building on the foregoing, many countries still lack adequate legal frameworks to prevent and combat organized crime, corruption, and terrorism. Exposure to internationally endorsed “best practices”-- often those based on U.S. models and expertise--is urgently needed. The UN Transnational Organized Crime Convention (TOC), the Convention Against Corruption, and the 12 universal legal instruments to prevent and combat terrorism in particular, codify many of the most significant “best practices” necessary to address corruption and organized crime.

The UN Office on Drugs and Crime (UNODC) is the only multilateral organization that possesses both a global reach and the credibility to deliver technical assistance to states seeking to ratify and implement these important new instruments. UNODC has in fact played a critical role to date in promoting the ratification of the TOC, which entered into force in September 2003.

FY 2005 funds will enable UNODC to provide on-site expert mentors to select high-risk countries to assist in implementing the TOC’s component provisions, including modern investigative and analytical practices for law enforcement officials, extradition and the provision of mutual legal assistance in organized criminal cases.

In the near future, UNODC also anticipates initiating a program to promote the ratification and implementation of the UN Convention Against Corruption, similar in many respects to the project that has promoted the ratification of the TOC. The DOS will look to support these activities from FY 2005 funds, pending the development of specific UNODC program activities.

The remainder of the FY 2005 contribution will assist UNODC’s ongoing project to promote the ratification and implementation of the 12 international legal instruments to combat and prevent terrorism.

## Andean Counterdrug Initiative

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
INCLE	788,450	726,687	731,000

The FY 2005 request of \$731 million will support a unified Andean region campaign against the drug trade and narco-terrorism. With the purpose of eliminating the cultivation and refining of cocaine and opium to reduce the flow of drugs to the United States, and build Andean law enforcement infrastructures to find, arrest and prosecute traffickers and seize their assets, thereby breaking the narco-terrorist nexus and enhancing the rule of law.

*Bolivia (\$91.0 million)* - FY 2005 funds will be used for eradication and interdiction operations, demand reduction and alternative development programs. Funds will:

- provide operational support for specialized counterdrug police and military units and prosecutor offices;
- reinforce and expand efforts to professionalize personnel;
- expand physical infrastructure;
- enhance data collection efforts to carry out law enforcement (through software, computers and enhanced communication capabilities);
- support economic development in coca growing areas; and
- provide public education (on bilateral drug goals, counterdrug programs and drug abuse within Bolivia).

Funds will also be used to provide support for the DOS-owned helicopter fleet as well as to maintain and purchase vehicles, riverine patrol boats, training and field equipment, and construct or refurbish antiquated counternarcotics bases.

*Brazil (\$9.0 million)* - FY 2005 funds will support Brazil's interagency Operation COBRA, which is aimed at fortifying the northern border through riverine control linked to a tactical command center in Tabatinga. Funds will also provide law enforcement capabilities at all levels (federal, state, civil and military) with operational support and equipment to conduct more effective investigations and interdiction operations against specific international narcotics cartel leaders and their associates. In addition, the project will continue to build on training already provided by DOS and other USG agencies to enhance port and airport security, and to counter narcotics trafficking activities such as arms trafficking and money laundering.

*Colombia (\$463.0 million)* - Taking advantage of a "tipping point" in program success, aggressive spraying in FY 2003 and FY 2004 is expected to offset replanting and new cultivation. By FY 2005, the program should, barring the loss of additional aircraft or suspensions of spraying for security reasons, be swiftly moving into a "maintenance spraying" phase. To support the necessary full push beyond the current "tipping point" in this critical program, FY 2005 funding will be used to maximize drug interdiction and eradication efforts by the Colombian National Police (CNP) and the Colombian Army (COLAR). Funds will also be used to support commensurate infrastructure improvements, CNP training, and establishment of secure and interoperable communications and intelligence systems.

In addition to air assets committed to spray operations, funds will support 71 pivotal COLAR helicopters (maintenance and repair, fuel, training and operations) throughout Colombian territory. This will be a pivotal year for use of these assets, as the coordination of CN and CT missions grows and both missions intensify toward achievable goals. Monies will also support the eight additional helicopters acquired in

FY 2003 for the infrastructure security in Arauca. Additional military equipment, including upgrades to facilities and general operational support, will be provided to the Counterdrug Brigade.

Funding for alternative development and institution building will be directed towards:

- market access and building a licit agricultural economy,
- support to vulnerable groups such as internally displaced persons,
- support for programs deepening the commitment to democracy, and
- support to programs solidifying and promoting 'rule of law,' which include expanded CNP presence throughout conflict zones by mobile and permanent municipal units, and the highly successful CNP reinsertion program.

Also of growing importance, government protection for threatened individuals and offices will continue, particularly those associated with peace and human rights activities. Specifically tailored projects will promote:

- a more robust government and civil human rights protection infrastructure;
- expansion of judicial capabilities and infrastructure designed to facilitate justice administration and viable peace initiatives;
- modest support for demobilization efforts; and
- transparency and accountability in all public offices.

*Ecuador (\$26.0 million)* - Ecuador programs are also closely tailored to meet specific aims. These programs will aim to stop the spillover of narco-trafficking from Colombia along the country's key northern border and the transit of drugs destined for the United States through ongoing programs and new initiatives. The latter include:

- construction of a port cargo inspection station and counternarcotics police base in Esmeraldas province;
- construction of an integrated checkpoint in La Troncal, Loja province;
- construction of supporting helipads; and
- renovation of the Pichincha counternarcotics police headquarters.

More generally, funding will continue essential support for counternarcotics police, port and canine operations, including:

- the acquisition of law enforcement and communications equipment;
- the purchase, maintenance, repair and operational costs of vehicles;
- aviation support; and,
- the cost of providing a port advisor from the Department of Homeland Security's Immigration and Customs Enforcement Division (DHS/ICE).

Other projects will provide police and judicial training essential to improving the detection and seizure of drugs and drug-related contraband. In addition, ACI funds will focus on improving criminal prosecutions, money laundering and chemical investigation and enforcement units. The northern border region projects will focus on improving local infrastructure (e.g., power grids, roads and bridges) as well as social and health conditions, and assisting municipal governments in implementing participatory democracy.

*Panama (\$6.0 million)* - As Colombia's immediate neighbor to the north, Panama is the first opportunity to interdict drug shipments moving north to the United States. Panama is also one of the principal money

laundering centers and major transportation hubs in the Western Hemisphere, and therefore important in countering international crime and terrorism. Funds will provide institutional development and operational support to Panama's public forces and law enforcement agencies. FY 2005 funds will be used, as in other countries, to promote professionalization within the agencies of the Ministry of Government and Justice (MOGJ) and Public Ministry (PM), training, anti-corruption activities, information management and exchange, case tracking, and a criminal database. Operationally, funds will provide training and equipment to support border control, air mobility and maritime interdiction, including support against narco-trafficking and narco-terrorist threats in the remote Darien border region and in coastal areas. Working closely with USAID and other bilateral and multilateral donors, DOS will support programs aimed at combating corruption, improving governance and respect for the rule of law, including adoption of modern police management systems.

*Peru (\$112.0 million)* - Success will be methodically reinforced in Peru. In order to make further inroads into coca cultivation, already reduced by over 70%, FY 2005 funds will support the forced and voluntary eradication of illicit coca and opium poppy cultivation. These funds will pay for training, advisors, vehicles, aircraft maintenance services, ground-based infrastructure, communications and support equipment for the GOP. Funds will also support:

- enhanced law enforcement interdiction efforts against the operations of major Peruvian trafficking organizations;
- continued support for an anti-narcotics coordination center to facilitate air, ground, and water-based law enforcement endgames;
- targeted port control efforts; and,
- maintenance of the DOS-owned air assets used by the Peruvian police, which provide aerial transportation support for all of the above goals.

Similarly, funding for alternative development and institution building supports capital investment and technical assistance to help local governments build and sustain infrastructure to prevent the spread of illicit economic activities linked to narco-trafficking. These funds will build roads, bridges, potable water systems, electricity systems, irrigations systems, and schools and health facilities. Activities include:

- development of sustainable cacao tree crops with large export value;
- enhancement of local infrastructure including power grids, roads and bridges;
- improvement of social and health conditions;
- enhancement of local municipal governments to implement participatory democracy; and,
- improvement of administrative and financial skills in the public sector, as well as general alternative development project management.

In accord with a comprehensive strategy, these development efforts will be tied to progress in reducing drug crop cultivation on a regional basis.

*Venezuela (\$3.0 million)* - New challenges lie in wait in Venezuela and require a continuing, albeit modest, commitment. The amount of cocaine transiting Venezuela is estimated to be at least 150 metric tons per year. The geographic location and terrain of Venezuela present attractive opportunities to drug traffickers seeking to move their product from Colombia, which shares a 2,200 kilometer border. Funding for interdiction efforts will focus on improving security at key airports, seaports, and border points of entry. Funds will be used to train and equipment small, dedicated units to intercept drugs (as well as conventional explosives, chemical weapons, and radioactive material) and to conduct post-seizure investigations into the trafficking networks.

Expert American advisors will be funded to provide continuous on-location guidance, training, and oversight on operational procedures, professional conduct, and employment of equipment. The program will also provide ongoing procedural and integrity training to police investigators, public prosecutors, and judges. In addition, the program will fund infrastructure development projects, such as the installation of automated local and wide area networks in support of the Public Ministry's case tracking system, the National Anti-Money Laundering Network, and the National Drug Czar's offices.

*Air Bridge Denial Program (\$21.0 million)* - As a cornerstone of deterrence and narco-trafficking efforts, the Air Bridge Denial (ABD) programs in Colombia and Peru support ACI interdiction efforts directly. Core funding will continue contractor logistical support (CLS), and training for the Colombian and Peruvian programs.

In Colombia, the CLS will include aircraft and sensor equipment spare parts and maintenance, and training of pilots, sensor operators and mechanics for aircraft.

In Peru, the CLS will include aircraft and sensor equipment spare parts and maintenance, and training of pilots and sensor operator and mechanics for the aircraft. Funds for the Peru program will also support an Anti-Narcotics Coordination Center (ANCC), which will enhance the Government of Peru's capability to gather, analyze, and exploit information about illicit drug trafficking that may be occurring in Peru, including in its airspace east of the Andes, on its waters, and on the ground.

**Andean Counterdrug Initiative**  
(\$ in thousands)

	<b>FY 2003 Actual</b>	<b>FY 2004 Estimate</b>	<b>FY 2005 Request</b>
<b>Andean Counterdrug Initiative</b>			
Bolivia Total	90,727	91,000	91,000
<i>Bolivia - Alternative Development/Institution Building</i>	41,727	42,000	42,000
<i>Bolivia - Interdiction</i>	49,000	49,000	49,000
Brazil Total	6,000	10,200	9,000
Colombia Total	580,200	463,000	463,000
<i>Colombia - SUP</i>	54,000	-	-
<i>Colombia - Alternative Development/Institution Building</i>	149,200	150,000	150,000
<i>Colombia - Interdiction</i>	377,000	313,000	313,000
Ecuador Total	30,896	35,000	26,000
<i>Ecuador - Alternative Development/Institution Building</i>	15,896	15,000	15,000
<i>Ecuador - Interdiction</i>	15,000	20,000	11,000
Panama Total	4,500	6,487	6,000
Peru Total	128,052	116,000	112,000
<i>Peru - Alternative Development/Institution Building</i>	68,552	50,000	50,000
<i>Peru - Interdiction</i>	59,500	66,000	62,000
Venezuela Total	2,075	5,000	3,000
Air Bridge Denial Program	-	-	21,000
Aviation Replacement Aircraft	-	-	-
<b>Total</b>	<b>842,450</b>	<b>726,687</b>	<b>731,000</b>

## Migration and Refugee Assistance

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	781,884	755,712	729,789

Humanitarian response is a key U.S. national interest outlined in the joint Department of State/U.S. Agency for International Development Strategic Framework. The foreign policy interests of U.S. humanitarian programs are high. In the past year, the U.S. Government has responded to humanitarian emergencies in Afghanistan, Iraq, Liberia, Côte d'Ivoire, and the West Bank and Gaza, while continuing to address humanitarian needs in such diverse places as the North Caucasus, Democratic Republic of the Congo, and Nepal. The State Department continues to believe that effective humanitarian response to limit the suffering of victims of conflict is good foreign policy.

The Migration and Refugee Assistance (MRA) and the Emergency Refugee and Migration Assistance Fund (ERMA) appropriations are two of the primary funding mechanisms for demonstrating our compassion internationally. Funds appropriated to the MRA and ERMA accounts are managed by the Department of State's Bureau of Population, Refugees, and Migration (PRM). MRA funds are appropriated annually in response to expected twelve-month requirements. The FY 2005 request for MRA will fund protection and assistance activities overseas, admission of refugees to the United States, international migration activities including resettlement of humanitarian migrants to Israel, and administrative expenses of PRM.

Key MRA and ERMA funding priorities in FY 2005 include: continuing our support for the large-scale return and reintegration of Afghan refugees and internally displaced persons (IDPs), similar programs for Liberians and Sudanese (assuming a peace agreement in Sudan), and ongoing protection and assistance activities in Colombia and the North Caucasus; responding to emergency requirements in the Middle East; bolstering efforts to enhance the protection of refugees, including programs that guard against the exploitation of beneficiaries of humanitarian assistance; and pressing other donors to provide their fair share of assistance to international humanitarian organizations.

### Protection, Assistance, and Durable Solutions

To support global protection and assistance requirements for populations of concern, PRM focuses MRA funds on three priority areas:

- Promoting access to effective protection and first asylum for refugees and conflict victims. Protection of women and children is a priority given their numbers and vulnerability.
- Providing humanitarian assistance across geographic regions and according to internationally accepted standards.
- Supporting voluntary repatriation, including sustainable reintegration of refugees in countries of origin.

U.S. refugee policy is based on the premise that the care of refugees and other conflict victims and the pursuit of permanent solutions for refugee crises are shared international responsibilities. Although just one of many donors, the United States is in most cases the largest individual donor. The majority of refugee assistance funds (over 88% in FY 2003) are provided multilaterally through international organizations (IOs), although funding is also provided bilaterally to non-governmental organizations (NGOs) that fill gaps in the international community's multilateral response. The primary recipients of U.S. funds and their major activities are discussed in the Overseas Assistance sections that follow.

### Refugee Resettlement

PRM provides MRA funding to the UN High Commissioner for Refugees (UNHCR), the International Organization for Migration (IOM), and U.S. NGOs and other contractors, both overseas and domestically, to provide U.S. resettlement opportunities to refugees in need of this durable solution and to encourage other countries to do the same. The FY 2005 request will support increasing efforts to identify resettlement caseloads, process them for admission to the United States and provide initial reception and placement services. MRA funds to UNHCR are targeted to increase its capacity worldwide to screen populations and refer caseloads for resettlement. IOM receives MRA funds for overseas processing functions in some locations and transportation-related services for all refugees admitted under the U.S. program. MRA funds also support numerous U.S.-based NGOs involved both in overseas processing functions and in domestic reception and placement services. FY 2005 will see a continuation of the increased resources being committed to new caseload development while at the same time maintaining the higher level of funding needed for operational security during processing.

### International Migration

U.S. international migration policy aims to promote sound migration management, which balances governments' respect for the human rights of migrants with responsibility to maintain the security of borders. To support efforts to manage international migration flows humanely and effectively, PRM participates in a range of multilateral dialogues relating to migration and supports activities to promote international understanding of migration, with a special emphasis on protection of the basic human rights of migrants, including asylum seekers and victims of trafficking. PRM works closely with IOM, which works with governments, other international organizations, and voluntary agencies to provide for the orderly migration of persons in need of international migration services. IOM provides operational services for humanitarian migration and technical assistance to governments and others interested in the development of migration policy, legislation, and administration. PRM also provides support for humanitarian migration and integration of humanitarian migrants to Israel.

### Administrative Expenses

Responsible and accurate programming and monitoring of PRM resources requires a skilled and flexible workforce capable of responding to international crises, managing resources of over \$800 million, and handling an array of significant humanitarian policy issues. The costs of this workforce—both domestic and overseas positions—are paid by the Administrative Expenses line of MRA. This includes all salaries and benefits as well as operating expenses for domestic and overseas offices. The FY 2005 request for administrative expenses is \$19.5 million. It also includes mandatory wage increases and inflationary costs. The budget request for the Department of State's Diplomatic and Consular Programs includes costs related to a small staff dedicated to international population policy management.

## Overseas Assistance

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	624,662	552,667	524,539

The FY 2005 request for Overseas Assistance will provide support for large-scale return and reintegration to places such as Afghanistan and Liberia and also continue the provision of life-saving protection and assistance to millions of refugees and conflict victims in places like Kenya, Thailand, and Colombia.

Our primary IO partners are:

- The United Nations High Commissioner for Refugees (UNHCR), PRM's principal international partner, is mandated by the UN to lead and coordinate international action for the worldwide protection of refugees and the resolution of refugee problems. UNHCR promotes international refugee agreements and monitors governments' compliance with international refugee law and standards. It also seeks to minimize the threat of violence, including sexual assault, to which many refugees are subject, even in countries of asylum. UNHCR seeks to promote lasting solutions for refugees, including voluntary repatriation, local integration, and resettlement to a third country. The agency also works with partners to ensure that refugees' basic needs such as water, shelter, food, and medicine are met. In 2005, UNHCR will continue efforts to direct protection and assistance activities toward refugee women and children, who comprise the majority of most refugee populations.
- The International Committee of the Red Cross (ICRC) is an independent, internationally funded humanitarian institution mandated under the Geneva Conventions, to which the United States is a party. The primary goals of the ICRC are to protect and assist civilian victims of armed conflict, trace missing persons, reunite separated family members, and disseminate information on the principles of international humanitarian law.
- The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) has a continuing mandate from the United Nations to provide education, health, relief, and social services to the over four million registered Palestinian refugees located in Jordan, Syria, Lebanon, and the West Bank and Gaza.
- The International Organization for Migration (IOM) works with governments, other international organizations, and voluntary agencies to provide for the orderly and humane migration of persons in need of such services. IOM works in seven service areas: assisted returns, counter-trafficking, migration health, movements, mass information, labor migration, and technical cooperation on migration.

The Department intends to use the funds requested for FY 2005 to respond to the calendar year 2005 requirements of the IOs listed above.

U.S. support may also be provided to other IOs and NGOs as required to meet specific program needs and objectives. Other IOs receiving MRA funds in the past include the UN Children's Fund (UNICEF), the World Food Program (WFP), and the UN Development Program (UNDP). The six largest of the thirty-one NGO recipients of MRA or ERMA funds for overseas assistance in FY 2003 were the International Rescue Committee, the American Refugee Committee, the International Catholic Migration Commission, the International Medical Corps, CARE, and Mercy Corps International. Programs of non-governmental

organizations may commence at any point in the fiscal year, with funding typically provided for a twelve-month period.

The Department may reallocate funds between regions or organizations within the overseas assistance request in response to changing requirements.

### **Program Assessment Rating Tool (PART) / Performance Evaluation**

For preparation of the FY 2005 budget, the Administration evaluated the U.S. contribution to the United Nations High Commissioner for Refugees (UNHCR), as administered by the Department, using the Program Assessment Rating Tool (PART). The program was rated as moderately effective. The program has a clear purpose: to help ensure a comprehensive response to the protection and assistance needs of refugees and to help provide refugees with lasting solutions. The PART review notes that program managers work closely with UNHCR to ensure that U.S. goals are understood and included in the organization's planning. The PART review also found that the program has ambitious long-term and annual goals tied to the mission of the program and that close cooperation and consultation has existed for many years between UNHCR and the Department, leading to agreed upon goals that appear in the "Framework for Cooperation." These PART findings were factors in the overall decision-making process for resources allocation. However, OMB notes that the Department did not have an efficiency measure at the time of the review and that UNHCR needs a better integrated financial system to ensure that program funds are being used effectively. The Department now has an efficiency measure in place and is working closely with UNHCR to implement a better financial management system.

Corresponding performance information (key goals and targets) for the U.S. contribution to UNHCR can be found in the Performance Summary volume of the integrated performance budget presentation on pages 24, 161, 215, and 289.

Key Indicators: (1) Number of fully-funded permanent, international, professional posts in the "protection" area within UNHCR; (2) Development and adoption/utilization of enhanced financial/supplies tracking system; and (3) UNHCR provides assessment of all refugee needs in African countries with greater than 10,000 refugees, and donors provide full funding for UNHCR's Africa program.

## Assistance Programs in Africa

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	228,523	201,387	208,500

MRA assistance will contribute to the basic needs of some 3 million refugees and millions more conflict victims spread across the African continent (both sub-Saharan and North Africa). The FY 2005 request reflects welcome opportunities for refugee solutions resulting from the 2002 peace agreement in Angola and expected peace and stability in Liberia and Sudan. Some support is included for refugee repatriation and reintegration in these countries. This request also reflects persistent civil strife in parts of the Democratic Republic of Congo (DRC) and Somalia.

Key challenges include: weakening donor response owing to urgent priorities elsewhere; protracted and seemingly intractable refugee situations such as those of Somali refugees in Kenya and Western Saharan refugees in Algeria; the concomitant disasters of drought/famine and threats to refugee health, including HIV/AIDS and malaria; concerns about the neutrality and security of refugee camps; and problems of humanitarian access to populations in need.

Protection, both legal and physical, including protection of women and children from sexual violence and protection from recruitment into armed conflicts, has become more challenging in Africa. Support is planned for ongoing protection programs in Africa as well as increased UNHCR protection staffing for critical Africa programs. Basic humanitarian assistance has not always been up to international standards in such life-sustaining sectors as nutrition and water/sanitation, and contributions to UNHCR and other implementing partners will continue to seek to address these gaps. UNHCR repatriation and reintegration assistance for refugees able to return home usually includes transportation, a small package of household and agricultural items to facilitate the returnees' re-establishment, and limited rehabilitation of social infrastructure, such as clinics and water projects, in the home community. There will continue to be a focus on the enduring challenge of achieving a coordinated hand-off to development agencies that can most effectively deal with post-conflict reconstruction.

In Africa as elsewhere, ICRC, often in partnership with other elements of the International Red Cross and Red Crescent Movement, is called upon to provide relief and protection in the most difficult and dangerous areas of countries caught up in armed conflict, where success depends largely on securing the cooperation of the warring parties. This sensitive task has continually become even more difficult, as parties to conflict have increasingly rejected the principle of neutral humanitarian assistance. The ICRC program in Africa provides protection and assistance to conflict victims and displaced persons, assistance to political prisoners and prisoners of war, and tracing services (for detainees and family members separated by conflict).

NGOs are key partners of IOs in Africa, often in specialized areas such as health care, water and sanitation, food distribution, and education. Funds will be provided directly to NGOs to complement the programs of UNHCR and to bring basic assistance up to international life-sustaining standards of care. It will be especially important to continue support for NGO efforts to augment health care for refugees in places such as Ethiopia, Kenya, and Tanzania. Our proposal also envisions funding NGO programs to promote refugee and returnee self-sufficiency in Uganda, Angola, and Guinea. UNICEF and other international organizations may also receive funding for assistance activities complementary to those of our key partners.

## Assistance Programs in East Asia

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	19,528	20,404	14,500

The largest group of refugees in East Asia continues to be Burmese. Of the Rohingya refugees who fled to Bangladesh from Burma in late 1991 to mid-1992, over 230,000 have voluntarily repatriated and only very small-scale repatriation continued in 2003. USG contributions to UNHCR in FY 2005 will support remaining refugees in the camps in Bangladesh as well as the reintegration and recovery needs of Rohingyas in Burma who repatriated within the past three years. Those remaining in Bangladesh need a durable solution, and UNHCR is negotiating with the Government of Bangladesh about this caseload.

At the beginning of 2004, more than about 140,000 refugees from a variety of ethnic groups in Burma still reside in camps in Thailand to which they fled to escape attacks by the Burmese army and its allies as well as from general persecution, such as forced labor and dislocation. The Thai Government continues to cooperate with UNHCR on the registration and protection of refugee camp populations. U.S. contributions to UNHCR will support its protection and assistance work in Thailand.

The FY 2005 request will also continue funding NGOs working in Thailand along the Burmese border. These NGOs address needs not covered by UNHCR or other IOs, including public health programs, water and sanitation, food, fuel and clothing aid, as well as some basic household assistance, such as blankets and mosquito nets.

U.S. contributions to ICRC in East Asia support ongoing programs, such as visits to detainees and emergency relief and medical care for conflict victims. Armed conflict in Southeast Asia tends to be localized (e.g., Aceh and Irian Jaya in Indonesia). Regional ICRC delegations throughout East Asia largely concentrate on core activities of protection, tracing, dissemination, and medical assistance, including the provision of prosthetics for those injured by anti-personnel landmines.

Misguided agricultural policy and natural disasters since 1995 have led to severe food shortages in the Democratic People's Republic of Korea (DPRK), prompting thousands of North Koreans to flee to the People's Republic of China. Although it is a party to the 1951 Refugee Convention and its 1967 Protocol, China has not allowed UNHCR access to these individuals to assess whether any have claims to refugee status. MRA has funded basic medical and poverty alleviation programs through UNDP for drought-stricken North Koreans who have crossed the border into northeastern China. PRM anticipates supporting similar requirements in FY 2005.

## Assistance Programs in Europe

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	74,915	54,558	50,000

The FY 2005 request reflects the success in the return of refugees and displaced persons in the Balkans. Crises in the Independent States of the former Soviet Union (IS) continue with no prospect for resolution in sight.

PRM's highest priority in the Balkans will be minority returns of internally displaced persons to Kosovo from Serbia-Montenegro and Macedonia; integration assistance will also be needed for those who remain in Serbia. More than 230,000 people from ethnic minorities remain displaced from Kosovo. Providing options for return for these individuals is key to promoting regional stability and preventing future conflict and is particularly important given upcoming negotiations that will determine Kosovo's final political status. PRM will work through UNHCR and NGOs to facilitate returns.

PRM will continue to support ICRC's unique role in the Balkans to facilitate exchange of information on missing persons, conduct prison visits, and build the capacity of local Red Cross societies.

PRM has partnered with NGOs in the Balkans for the past decade with productive results. We plan to continue this partnership in FY 2005, albeit at a reduced level. Funding will support organizations facilitating the return of minority IDPs to Kosovo. The work of these NGOs complements the work done by UNHCR and the UN Mission in Kosovo.

Some three million people in the IS, who are refugees, displaced persons, returnees, or other migrants, remain in often desperate circumstances.

No resolutions of the "frozen" conflicts in Chechnya, Georgia, Armenia and Azerbaijan appear likely in the short term. Therefore, in FY 2005, continued strong MRA support is necessary for IDPs and refugees created by these conflicts. In FY 2005 MRA will also absorb costs previously covered by other funding sources.

The North Caucasus region of the Russian Federation, which had tens of thousands of IDPs and refugees from several conflicts even before the latest fighting, remains insecure with reports of disappearances, human rights abuses, and terrorist bombings. Although growing numbers of Chechens are returning home, Chechnya continues to experience armed skirmishes between Russian soldiers and Chechen rebels. Altogether, some 80,000 IDPs remain in the neighboring republics of Ingushetiya and Dagestan. Despite recent cooperation from Russian authorities to allow IDPs the choice of remaining in Ingushetiya, there are repeated attempts to pressure IDPs to return to Chechnya. Within Chechnya, some 140,000 IDPs who lack access to basic shelter, water, sanitation, health care and education and will continue to require assistance. PRM will support UNHCR and ICRC's work in the sub-region.

There has been little progress in resolving the conflicts in Georgia (Abkhazia and South Ossetia) and between Armenia and Azerbaijan (Nagorno-Karabakh). More than 1.3 million people displaced by these conflicts will continue to require assistance in 2005.

In Central Asia, though the reintegration of Tajik returnees from the Tajik civil war will start to wind down in 2004, the most vulnerable returnees, particularly the elderly and female-headed households, will still require reintegration assistance.

## Assistance Programs in the Near East

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	125,404	100,538	97,000

Return and reintegration assistance to up to two million Iraqi refugees, recent returnees, and internally displaced persons will remain a high priority in FY 2005. Programs will support return and reintegration activities for voluntary returnees, as well as assist existing populations in neighboring countries until refugees elect for voluntary return. Programs inside Iraq will also help strengthen local structures, like the new Iraqi Ministry of Displacement and Migration, so that Iraqi government policies and programs will be responsive to refugee and IDP needs. Funds to support this assistance will be drawn from the FY 2004 Iraq Relief and Reconstruction Fund.

The FY 2005 MRA request incorporates significant continued support for assistance programs of the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), which benefit over four million registered Palestinian refugees in the region. The U.S. has been a major contributor toward UNRWA's programs since it began operations in 1950, under a UN mandate to assist Palestinian refugees in Jordan, Syria, Lebanon, and the West Bank and Gaza. The agency provides education, health care, and relief and social services. UNRWA schools and vocational training centers play a vital role in helping Palestinian refugees become economically self-reliant. U.S. support helps to provide some stability in the lives of the Palestinian refugee population in an increasingly difficult environment and contributes to building a climate conducive to a peaceful resolution of regional problems. Some of our support to UNRWA will allow the agency to continue critical security monitoring of their programs and operations in the West Bank and Gaza. The MRA request does not include funding for UNRWA's emergency operations.

In addition to supporting Iraqi refugees, UNHCR serves an additional half million persons of concern in eight countries of the region: Egypt, Iraq, Israel, Jordan, Lebanon, Saudi Arabia, Syria, and Yemen. Throughout the Near East, UNHCR provides protection and assistance with emphasis on the special needs of women and children, counsels repatriation candidates, assists voluntary returns and reintegration, conducts status determination interviews and resettlement processing, negotiates with host governments regarding conditions for refugees, and provides some vocational skills training and self-help activities.

ICRC activities in the Near East are directed at civilian victims of conflict, people deprived of their freedom (prisoners of war), wounded and sick, missing persons, civil society, national Red Crescent Societies, government authorities, and national armed forces. ICRC cooperates with national societies on the dissemination of international humanitarian law and on strengthening their tracing services. It runs prosthetic/orthotic centers and trains technicians in this work. ICRC is often the only international humanitarian organization that is able to access areas of civil strife to provide needed protection, medical and other assistance to conflict victims and displaced persons.

## Assistance Programs in South Asia

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	79,321	73,741	58,039

The FY 2005 request will be aimed primarily at continuing U.S. support for return and reintegration programs for Afghan refugees and internally displaced persons. MRA funds will facilitate the return of up to one million refugees to Afghanistan in FY 2005 through contributions to UNHCR and others. Along with reintegration assistance for some 1.3 million returns in 2004, the FY 2005 MRA request for Afghans will provide critical humanitarian assistance for these returnees through the United Nations, other IOs, and NGOs. Most of the returnees avail themselves of UNHCR's assistance, although a smaller number return spontaneously. While the returnees receive travel and minimal reintegration assistance, most of them return to damaged or destroyed homes, a devastated physical and economic infrastructure, and little in the way of employment opportunities. The ultimate success of the return and reintegration program will largely depend on the ability of the Afghan government, the United Nations, and the international community to anchor returnees in their home communities by responding to unmet humanitarian needs, rebuilding infrastructure, and creating economic opportunities.

PRM will also continue to support ICRC's programs benefiting victims of the Afghan conflict with a focus on emergency medical assistance and visits to detainees. ICRC runs a number of surgical and field hospitals for war-wounded Afghans and operates orthopedic centers that provide complete rehabilitative services to the disabled. ICRC also provides emergency non-food assistance to the internally displaced and vulnerable, as well as water and sanitation projects in urban areas. Protection and tracing activities are important aspects of ICRC's Afghan Conflict Victims program.

UNHCR estimates that some 2.6 million Afghan refugees remained in Pakistan, Iran, and Central Asia at the end of 2003, and well over half of these will not repatriate in 2004 due to the security situation, persecution of certain ethnic groups, and Afghanistan's limited capacity to absorb additional returnees. The U.S. Government will need to continue supporting UNHCR and its partners' protection and assistance work on behalf of refugees in these countries. UNHCR's protection and assistance activities for Afghan refugees and returnees will continue to take account of especially vulnerable populations, including women, children, disabled persons, and members of persecuted ethnic groups.

PRM also plans to fund other international organizations and NGOs to supplement the repatriation and reintegration assistance to Afghan refugees. In 2004 and beyond, UNHCR and the Afghan government will increasingly rely on other international organizations and NGOs to ensure that the critical needs of returning refugees, IDPs, and other vulnerable persons are met during the transition from relief to recovery. To this end, the Department will look favorably on other IO and NGO projects that anchor returnees in their communities. The Department will also continue to give special attention to the needs of Afghan women and girls.

Bhutan and Nepal have undertaken a bilateral verification process to prepare for the repatriation and local integration of 104,000 Bhutanese refugees in seven refugee camps in Nepal. The repatriation to Bhutan of selected refugees from the first camp is scheduled to take place in February 2004. PRM will continue to support UNHCR's activities in the camps. UNHCR has provided protection and assistance, including primary education for all refugee children in the camps and teacher training, kerosene for cooking in order to reduce environmental degradation, and income generating and skills projects. In the next two years, UNHCR will ensure that returns are voluntary, focus on locally integrating Bhutanese refugees, and promote resettlement for the most vulnerable population. UNHCR also supports Tibetan refugees in transit

to India by providing them with food, shelter, and health care and maintaining a Reception Center for Tibetan refugees in Kathmandu. PRM will also continue to support ICRC's activities in the region.

Another important country of humanitarian interest in the region is Sri Lanka. The February 2002 ceasefire has largely held and since then about 2,800 registered refugees (out of 64,000) have returned from India and 312,000 IDPs (out of 800,000) have returned. PRM will continue to support UNHCR and ICRC's activities on their behalf. UNHCR, other UN agencies, and the Government of Sri Lanka have coordinated on a joint strategy for reintegration assistance. The peace process is at a critical stage, with the government and the armed Tamil opposition exchanging proposals that will define the degree of local political autonomy in Tamil areas on the island. Most Tamil refugees in India are waiting for more progress in the peace talks before they commit to returning to their country. Land mines, military occupation, insufficient infrastructure in war-torn areas, and the need for restitution of property are also obstacles to return and reintegration.

India is host to over 130,000 Tibetan refugees. The Department supports through the Tibet Fund the immediate needs of approximately 2,500 new Tibetan refugees who arrive in India each year. In addition, with no resolution to the Kashmir conflict in sight, support for ICRC's critical protection of detainees and conflict victims will also continue through U.S. contributions to its regional appeal.

## Assistance Programs in the Western Hemisphere

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	20,366	21,526	26,000

The civil conflict in Colombia continues to be a primary cause of displacement and humanitarian suffering in the Western Hemisphere. For the past several years, the U.S. Government has sought to address the needs of more than 2 million IDPs inside Colombia, and thousands of refugees outside Colombia, through a combination of MRA and special appropriations for the USG's Colombia operations. In FY 2005, the Department will include in its MRA request all funds devoted to those requirements.

Our primary partners in Colombia are ICRC and UNHCR. ICRC is the primary provider of emergency assistance to IDPs in Colombia, and the bulk of our MRA funding in Colombia would go to support its efforts in FY 2005. In 2004, ICRC's budget for its operations in Colombia (with 60 expatriates) is one of its largest in the world. ICRC distributes aid to internally displaced persons in over two-thirds of Colombia's municipalities. Emergency food parcels are a crucial part of its assistance. As needed, ICRC also provides hygiene kits, bedding material, dishes and cooking utensils.

UNHCR is also assisting the Colombian government in responding to the assistance and protection needs of IDPs. Its activities in Colombia include capacity building with IDP associations and the national and local governments. In neighboring countries, UNHCR works with host governments to promote refugee-related legislation, support NGO and local government refugee response, register refugees and asylum-seekers, and assist voluntary returns of Colombian refugees. PRM also provides some assistance to IDPs through NGOs, most significantly the Cooperative Housing Foundation, which is a major provider of shelter and provides some food/non-food items and psychosocial support as well.

While Colombia represents the most significant humanitarian assistance requirement in the region, ongoing UNHCR and ICRC programs of protection and humanitarian law dissemination throughout the hemisphere are needed to maintain a capacity for dealing with the needs of refugees and conflict victims now and in the future. U.S. contributions will help support UNHCR programs that work with States to establish effective protection regimes. UNHCR training workshops in the Caribbean are particularly important, as UNHCR has only one position in the region, instead operating through a system of "honorary liaisons." Funds will also be contributed to ICRC assistance programs in Central and South America.

The MRA request also includes funds to meet the Department's commitment to support the needs of Cuban and Haitian migrants at the Guantanamo Bay Naval Base who have been found to be in need of protection and await resettlement in third countries. This requirement reflects a new cost-sharing arrangement established by a Presidential Executive Order, which took effect October 1, 2003.

## Strategic Global Priorities

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	60,330	63,210	55,000

Formerly called “Multiregional Activities,” this budget line was renamed “Strategic Global Priorities” (SGP) to more accurately describe cross-cutting, core global priorities such as emergency response, refugee women, refugee children, health, and protection. It supports activities of international and non-governmental organizations that do not appear in any specific regional program (e.g., centrally-funded, multiregional activities). The request for SGP funding will provide U.S. contributions to the headquarters and global program costs of the United Nations High Commissioner for Refugees (UNHCR), the headquarters budget of the International Committee of the Red Cross (ICRC), and the multiregional refugee activities of other international or non-governmental organizations. SGP program activities also include interagency coordination efforts, emergency response units of international organizations, and monitoring and evaluation activities. A particular emphasis of our SGP funding is to promote initiatives in such areas as refugee women and children, prevention and response to gender-based violence (GBV), enhancing refugee protection, registration, and HIV/AIDS prevention, which ultimately become integrated into the regular programs of our partners and lead to more effective and efficient programs in support of refugee needs.

A key priority in our funding for UNHCR out of the SGP budget line is the prevention of sexual exploitation and the improvement of UNHCR’s protection presence in the field. The increasing violence of conflicts, including GBV, large numbers of refugees and displaced persons in the world, most of whom are women and children, and the strain on resources to deal with them has eroded the protection of refugees over the years. The Bureau has worked closely with our NGO and IO partners on prevention of sexual exploitation, and now requires that all our NGO partners have codes of conduct reflecting core principles regarding sexual exploitation. A key initiative that will help provide better protection to refugee women and children is funding for additional protection officer positions. The continuation of the protection staffing surge capacity within the organization and the development of an enhanced registration system are also important USG priorities. Funding is also included for UNHCR’s Operational Reserve, an important mechanism on which UNHCR’s emergency response capacity depends.

Funding for the ICRC headquarters budget covers the permanent activities carried out by ICRC staff in Geneva; field-related costs are normally attributed to the regional appeals. The contribution will be calculated at not less than 10 percent of the 2005 ICRC headquarters budget in accordance with the Foreign Relations Authorization Act of 1988 and 1989. The ICRC headquarters budget is funded through voluntary contributions by governments and national societies of the Red Cross/Red Crescent Movement. U.S. contributions to ICRC’s regional emergency appeals are described under the previous regional sections of this document.

The SGP budget line also supports positions held by Americans with UNHCR and IOM through the Junior Professional Officer (JPO) programs.

**Migration**  
(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	16,275	17,303	15,500

International migration activities include cooperation with other governments and with international and non-governmental organizations to encourage humane and effective migration management, particularly at the regional level. U.S. funds for migration activities are primarily disbursed through the International Organization for Migration (IOM). The FY 2005 request for migration activities includes our annual assessed contribution to IOM. As a member of IOM, as authorized in the Migration and Refugee Assistance Act of 1962, the United States pays a 26.327 percent assessment to the organization's administrative budget. (The IOM assessed contribution is paid in Swiss francs, and the dollar amount will vary according to the exchange rate at the time of payment.)

Assistance in this category will be provided to support the international migration policy goals for which PRM has primary responsibility, especially the promotion and protection of the human rights of vulnerable migrants, including asylum seekers and victims of trafficking. A key goal of the FY 2005 request for migration is to continue our support to programs aimed at preventing trafficking in persons and assisting trafficking victims. Anti-trafficking programming will be closely coordinated with the State Department's Office to Monitor and Combat Trafficking in Persons and other U.S. anti-trafficking efforts.

Another principal migration activity is participation in and support for regional migration dialogues. Since 1996, the United States has been involved in the Regional Conference on Migration (RCM), a forum where ten North and Central American governments and the Dominican Republic discuss and cooperate on common migration challenges. In addition, the United States participates in the Intergovernmental Consultations on Asylum, Refugee, and Migration Policies in Europe, North America, and Australia (IGC), an informal channel for senior and mid-level policy officials from the United States, Canada, Australia, and European countries to exchange views and share information. Through MRA, PRM also supports newer regional dialogues, such as the South American Conference on Migration (SACM), the Migration Dialogue for Southern Africa (MIDSA) for member states of the Southern African Development Community (SADC), and nascent migration dialogues among members of the Economic Community of West African States (ECOWAS). PRM will also be actively involved in work on migration at a global level through the UN system.

Migration and asylum also figure prominently on the foreign policy agenda with countries in Europe and the NIS. Justice and Home Affairs issues continue to be important in the dialogue between the United States and the European Union (EU). PRM will continue its efforts to advance cooperation with the EU member states and the European Commission on migration issues with a special focus on protection. Through MRA, PRM also will continue to support efforts to develop effective and humane migration management systems in the Independent States (IS).

## Refugee Admissions

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	81,155	132,464	135,750

In FY 2005, PRM will continue to work on three priority areas for the admissions program: pipeline development, ensuring enhanced security during processing, and high-quality reception and placement services.

### Africa

African admissions are expected to comprise approximately half of the allocated program during FY 2004, or some 25,000 arrivals. In the last two fiscal years, African admissions were more severely impacted by post-9/11 security reviews than admissions from any other region, but the program has regained its momentum and is again growing. During FY 2004, PRM will continue to process significant populations in both East and West Africa in need of resettlement. A number of large groups of African refugees for whom no other durable solution appears possible are currently under review for processing and will likely comprise the FY 2005 caseload. In FY 2005, the Africa program will likely continue to be the largest regional program.

### East Asia

In FY 2004, PRM will begin a new, large-scale processing of Hmong refugees in Thailand that will continue into FY 2005. Although too soon to predict how many Hmong will ultimately travel to the U.S. through this new program, the number will be in the thousands. PRM is also exploring the potential for resettlement of Burmese in Thailand and a small population of Vietnamese refugees in the Philippines. Processing of a residual caseload from the Orderly Departure Program and a small number of Amerasian cases in Vietnam and several hundred Burmese and refugees from other Asian countries around the region will likely continue into FY 2005.

### Europe

The FY 2005 programs in Europe will include primarily persons from the former Soviet Union and some residual cases from the republics of the former Yugoslavia. Admissions from the former Soviet Union will be persons of special interest to the United States, including Jews, Evangelical Christians, Baku Armenians, and certain Ukrainian religious activists. Also under consideration is a group of Meskhetian Turks in the Krasnodar region of Russia. Processing for the Meskhetian Turks will likely begin in FY 2004 and continue into FY 2005 and may result in several thousand arrivals. The Department of State will also continue to closely monitor the situation of religious minorities in Russia.

### Near East and South Asia

Admission of Iranians (primarily religious minorities) and small numbers of other nationalities are expected to continue in FY 2004 and 2005. The U.S. Government is also prepared to continue to admit vulnerable Afghans, including women at risk. UNHCR is considering referral of some particularly vulnerable cases among the Bhutanese refugee population in Nepal.

## Latin America and the Caribbean

Admissions in this region during FY 2004 will be comprised of in-country processing for Cubans and the small but growing program for Colombians. Both programs are expected to continue in FY 2005.

### Summary of Costs

The funds requested for FY 2005 are directly related to costs that will be incurred on behalf of refugees who will be in the processing pipeline during FY 2005. Most will arrive in the U.S. during FY 2005, but some will not have completed all steps in time and will therefore arrive in FY 2006. All steps involved in admitting refugees involve direct cost to the program, from initial identification, through overseas processing (both before and after the Department of Homeland Security (DHS) interview), medical examination, security screening, transportation and reception and placement. Funds are also used to support centralized data management and administrative overhead associated with both the overseas and domestic partners involved in the program. The budget request for refugee admissions funds the programs described below. Funds may also be used for the evaluation of these programs.

### Processing

The Department funds UNHCR, IOM, and NGOs to assist with the identification and processing of refugees worldwide for resettlement in the United States. Processing responsibilities include screening applicants to assess their eligibility for interview by DHS adjudicators under the U.S. refugee program. Some applicants interviewed by DHS are not approved for U.S. resettlement. Therefore, more cases are processed during the course of the year than will actually be admitted to the United States as refugees. For approved refugees, processing funds also are used to pay for medical examinations, cultural orientation materials and briefings, and required travel documentation.

In addition to overseas processing operations, the Department funds certain services performed in the United States that are essential to the smooth and efficient operation of the admissions process. This includes maintaining a U.S.-based Refugee Processing Center, which manages the refugee admissions database and case allocation and sponsorship functions.

### Transportation and Related Services

For FY 2005, the Administration requests funds for transportation and related services provided by IOM in support of the U.S. admissions program. This activity includes funding for international and domestic airfares, IOM operational support, communications, and transit accommodations where required. The cost of airfare is provided to refugees on a loan basis; beneficiaries are responsible for repaying their loans over time after resettlement. Therefore, the requirement for appropriated funds for refugee transportation in any given year is partially offset by loan repayments made available to IOM from refugees previously resettled.

### Reception and Placement Program

Through the Department's Reception and Placement program (R&P), private voluntary agencies receive funds to provide basic services to refugees for initial integration into U.S. society. These agencies are expected to augment federal funds by drawing on private cash and in-kind contributions, which are essential to the success of this program. Services include pre-arrival planning, reception at the airport, initial provision of basic necessities, including housing, food and clothing, orientation to their communities, counseling, and referral to local social service programs.

In an effort to strengthen program oversight and improve the quality of services provided to resettled refugees, the Department and the voluntary agencies in FY 2001 developed “operational guidance” which better defines the standards agencies are expected to meet in carrying out their R&P responsibilities. Implementation of the operational guidance has resulted in a significant improvement in service delivery over the past two fiscal years.

The Department coordinates with the domestic refugee assistance programs administered by the Office of Refugee Resettlement in the Department of Health and Human Services (HHS/ORR), which assumes responsibility for assisting resettled refugees after the initial service period covered by the R&P program.

### **Program Assessment Rating Tool (PART) / Performance Evaluation**

For preparation of the FY 2005 budget, the Administration reassessed the Department’s Refugee Admissions to the United States program using the Program Assessment Rating Tool (PART). In this second PART review, the program was rated as moderately effective. According to the assessment, the program has a clear purpose, planning processes are in place, and the program is well managed. OMB noted that program managers have improved strategic planning, particularly the coordination efforts of program managers to ensure involvement of NGOs, international organizations and other agencies in the planning process. However, the PART review noted that the program must continue its work toward obligating funds for intended purposes instead of reprogramming appropriated funds for other programs. Furthermore, some overlap between the U.S. Refugee Admissions Program and the similar programs of the Office of Refugee Resettlement (ORR) in the Department of Health and Human Services was cited. These assessments, along with the lack of an adequate efficiency measure, impacted the results and accountability section of the PART review. Program managers are taking key management actions to address these deficiencies and an efficiency measure is now in place. The Department is reviewing the relationship between this program and ORR’s programs to ensure there is no duplication. The PART process provided information that was taken into account in the overall decision-making process for resources allocation.

Corresponding performance information (key goals and targets) for the U.S. Refugee Admissions program can be found in the Performance Summary volume of the integrated performance budget presentation on pages 16, 215, 216 and 276-277.

Key Indicators: (1) Refugees resettled in the U.S., as a percentage of the allocated ceiling, and (2) Standardized essential services are provided by sponsoring agencies during the period of refugees’ initial resettlement in the U.S.

## MRA Humanitarian Migrants to Israel

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	59,610	49,705	50,000

The FY 2005 request will maintain our support for migrant programs of the United Israel Appeal (UIA). Our grant to the UIA helps finance programs of the Jewish Agency for Israel that assist in the absorption into Israeli society of Jewish humanitarian migrants coming to Israel from the former Soviet Union, Ethiopia, and other countries of distress.

### **Program Assessment Rating Tool (PART) / Performance Evaluation**

For preparation of the FY 2005 budget, the Administration reassessed the Department's Humanitarian Migrants to Israel program using the Program Assessment Rating Tool (PART). In this second PART review, the program was rated moderately effective. According to the review, the program is well managed and has a clear purpose: to provide assistance for the resettlement in Israel of humanitarian migrants from the former Soviet Union, countries in Eastern Europe, Africa and the Near East, and other countries of distress. OMB noted that program managers have taken management actions based on findings from the review last year and have coordinated closely with the United Israel Appeal (UIA) to further develop the program's performance measures. The grant agreement signed between UIA and the Department this past year noted the specific steps taken to refine performance measures and the relationship with UIA, which contributed to a higher program rating for the Humanitarian Migrants to Israel program this year. The assessment noted that the Department must continue to strengthen its annual and long-term measures, and create an efficiency measure, which the Department has now done. The improvement documented in the PART review was considered in the overall decision-making process for resources allocations.

Corresponding performance information (key goals and targets) for the Humanitarian Migrants to Israel program can be found in the Performance Summary volume of the integrated performance budget presentation on pages 16, 216 and 279.

Key Indicators: (1) Humanitarian migrants become self-sufficient members of Israeli society within two years of grant support and (2) Percentage change of trainees from the former Soviet Union who advance a full grade level in language proficiency within five months.

## MRA Administrative Expenses

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
MRA	16,457	20,876	19,500

The FY 2005 request of \$19.5 million for administrative expenses provides the Bureau with the resources essential to manage effectively and responsibly critical humanitarian programs funded through the MRA and ERMA appropriations. PRM staff play a key role in evaluating humanitarian conditions around the world; carrying out humanitarian diplomacy; designing, implementing and monitoring humanitarian projects; and ensuring that humanitarian issues are integrated into broader foreign policy efforts.

The administrative expenses line funds salaries and benefits for Bureau staff in Washington, D.C. and overseas, as well as travel and overseas post allocations.

## U.S. Emergency Refugee and Migration Assistance Fund

(\$ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
ERMA	25,831	29,823	20,000
ERMA-SUP	80,000	-	-

The U.S. Emergency Refugee and Migration Assistance Fund (ERMA) is a no-year appropriation, drawn upon by the President to meet “unexpected urgent refugee and migration needs” whenever the President determines that it is “important to the national interest” to do so. The Migration and Refugee Assistance Act of 1962, as amended, provides permanent authorization for the account of up to \$100 million. The FY 2005 request of \$20 million will provide the flexibility needed to respond to unexpected refugee and migration emergencies.

At the beginning of FY 2004, \$77 million remained in the fund. There were no ERMA drawdowns during the first quarter of FY 2004. In FY 2003, a total of \$74 million was drawn down from the ERMA fund for the following needs:

### Africa

Presidential Determination 2003-09: \$11 million

On January 7, 2003, \$11 million was authorized to address unexpected urgent refugee and migration needs arising from the crises in Côte d’Ivoire (\$1.5 million) and Liberia (\$3.4 million), and from the return of refugees to Sierra Leone (\$700,000) and Angola (\$5.4 million).

### Near East

Presidential Determination 2003-13: \$15 million

On January 26, 2003, \$15 million was authorized to meet unexpected urgent refugee and migration needs that were anticipated in the event of a future humanitarian emergency in the Middle East, including contingency planning for such needs.

Presidential Determination 2003-17: \$22 million

On March 20, 2003, \$22 million was authorized to meet unexpected urgent refugee and migration needs that were anticipated in the event of a future humanitarian emergency in the Middle East, including contingency planning for such needs.

Presidential Determination 2003-29: \$26 million

On August 4, 2003, \$26 million was authorized for a contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to meet unexpected, urgent refugee needs in the West Bank and Gaza.

**MRA\ERMA Program Summary**  
(\$ in thousands)

	<b>FY 2003 Actual</b>	<b>FY 2004 Estimate</b>	<b>FY 2005 Request</b>
<b>Migration and Refugee Assistance</b>			
MRA Administrative Expenses	16,457	20,876	19,500
MRA Africa	228,523	201,387	208,500
MRA East Asia	19,528	20,404	14,500
MRA Europe	74,915	54,558	50,000
MRA Humanitarian Migrants to Israel	59,610	49,705	50,000
MRA Migration	16,275	17,303	15,500
MRA Near East	125,404	100,538	97,000
MRA Refugee Admissions	81,155	132,464	135,750
MRA South Asia	79,321	73,741	58,039
MRA Strategic Global Priorities	60,330	63,210	55,000
MRA Western Hemisphere	20,366	21,526	26,000
<b>Total MRA</b>	<b>781,884</b>	<b>755,712</b>	<b>729,789</b>
<b>U.S. Emergency Refugee and Migration Assistance Fund</b>			
U.S. Emergency Refugee and Migration Assistance Fund	25,831	29,823	20,000
U.S. Emergency Refugee and Migration Assistance Fund SUP	80,000	-	-
<b>Total ERMA</b>	<b>105,831</b>	<b>29,823</b>	<b>20,000</b>
<b>Total MRA/ERMA</b>	<b>887,715</b>	<b>785,535</b>	<b>749,789</b>